

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigations Nos. 701-TA-426 and 731-TA-984-985 (Preliminary)

SULFANILIC ACID FROM HUNGARY AND PORTUGAL

DETERMINATIONS

On the basis of the record¹ developed in the subject investigations, the United States International Trade Commission determines, pursuant to sections 703(a) and 733(a) of the Tariff Act of 1930 (19 U.S.C. § 1671b(a) and 1673b(a)) (the Act), that there is a reasonable indication that an industry in the United States is threatened with material injury by reason of imports from Hungary of sulfanilic acid, provided for in subheadings 2921.42.22 and 2921.42.90 of the Harmonized Tariff Schedule of the United States, that are alleged to be subsidized by the Government of Hungary and by reason of imports from Hungary and Portugal of sulfanilic acid that are alleged to be sold in the United States at less than fair value (LTFV).²

COMMENCEMENT OF FINAL PHASE INVESTIGATIONS

Pursuant to section 207.18 of the Commission's rules, the Commission also gives notice of the commencement of the final phase of its investigations. The Commission will issue a final phase notice of scheduling, which will be published in the *Federal Register* as provided in section 207.21 of the Commission's rules, upon notice from the Department of Commerce of affirmative preliminary determinations in the investigations under section 703(b) and 733(b) of the Act, or, if the preliminary determinations are negative, upon notice of affirmative final determinations in those investigations under section 705(a) and 735(a) of the Act. Parties that filed entries of appearance in the preliminary phase of the investigations need not enter a separate appearance for the final phase of the investigations. Industrial users, and, if the merchandise under investigation is sold at the retail level, representative consumer organizations have the right to appear as parties in Commission antidumping and countervailing duty investigations. The Secretary will prepare a public service list containing the names and addresses of all persons, or their representatives, who are parties to the investigations.

BACKGROUND

On September 28, 2001, a petition was filed with the Commission and Commerce by Nation Ford Chemical Co. of Fort Mill, SC, alleging that an industry in the United States is materially injured and threatened with material injury by reason of imports of sulfanilic acid from Hungary and Portugal that are alleged to be sold in the United States at LTFV and that are alleged to be subsidized by the Government of Hungary. Accordingly, effective September 28, 2001, the Commission instituted countervailing duty investigation No. 701-TA-426 (Preliminary) and antidumping duty investigations Nos. 731-TA-984-985 (Preliminary).

¹ The record is defined in sec. 207.2(f) of the Commission's Rules of Practice and Procedure (19 CFR § 207.2(f)).

² Commissioner Devaney dissenting with respect to Hungary. Commissioner Devaney found that there is no reasonable indication that an industry in the United States is materially injured or threatened with material injury by reason of imports from Hungary of sulfanilic acid that are allegedly subsidized by the Government of Hungary or alleged to be sold in the United States at LTFV.

Notice of the institution of the Commission's investigations and of a public conference to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* of October 5, 2001 (66 FR 51070). The conference was held in Washington, DC, on October 18, 2001, and all persons who requested the opportunity were permitted to appear in person or by counsel.

The Commission transmitted its determinations in these investigations to the Secretary of Commerce on November 13, 2001. The views of the Commission are contained in USITC Publication 3472 (November 2001), entitled *Sulfanilic Acid from Hungary and Portugal: Investigations Nos. 701-TA-426 and 731-TA-984-985 (Preliminary)*.

By order of the Commission.

Donna R. Koehnke
Secretary

Issued: November 13, 2001